



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Chief Administrative Officer
Director of Health Services

At its meeting held October 26, 2004, the Board took the following action:

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Supervisor Knabe made the following statement:

“On October 15, 2004, Downey Regional Medical Center canceled its Medi-Cal contract with the California Department of Health Services, citing nearly \$7 million in losses from providing care to Medi-Cal patients in 2003.

“California ranks 51st in the Nation in Medi-Cal reimbursement per enrollee. Hospitals and physicians have reported that the inadequate Medi-Cal payments are not covering the costs of providing care. Consequently, in order to avoid detrimental financial losses and potential closure, hospitals and physicians throughout the County are opting out of Medi-Cal. Such action further jeopardized the already strained health care delivery safety net.”

Therefore, on motion of Supervisor Knabe, seconded by Supervisor Molina, unanimously carried (Supervisor Antonovich being absent), the Director of Health Services, in conjunction with the Hospital Association of Southern California and the Los Angeles County Medical Association, was instructed to:

1. Produce a detailed analysis on the reasons hospitals and physicians are opting out of Medi-Cal and the impact such actions are having on Medi-Cal patient's access to care, as well as the public and private sector health care delivery system;

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2. Work with the Chief Administrative Officer and the aforementioned agencies to produce a joint advocacy strategy which would include a five-signature letter to Governor Schwarzenegger and the Los Angeles County Legislative Delegation, alerting them to the dire need for adequate Medi-Cal reimbursement and the adverse effect inadequate rates are having on the safety net in Los Angeles County; and
3. Report back to the Board within 90 days.

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Copies distributed:

Each Supervisor
County Counsel
Director of Public Health

Letters sent:

President and Chief Executive Officer,
Hospital Association of Southern California
Executive Director, Los Angeles County Medical Association